

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 00517 161826Z

70

ACTION XMB-04

INFO OCT-01 NEA-09 ISO-00 EB-07 RSC-01 /022 W

----- 055531

R 161541Z JAN 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 1458

INFO USDOC

LIMITED OFFICIAL USE CAIRO 517

PLS PASS EXIM BANK

E.O. 11652: N/A

TAGS: BEXP EG

SUBJECT: EXIM FINANCING OF TRUCKS AND TRAILERS

1. GENERAL MOTORS OVERSEAS WILL PROBABLY APPROACH EXIM BANK IN NEXT FEW DAYS CONCERNING FINANCING OF SALE OF APPROXIMATELY \$40 MILLION IN US VEHICLES. GM HAS SUBMITTED AN OFFER FOR 1,150 HEAVY DUTY TRUCKS, TRAILERS AND SEMI-TRAILERS TO GENERAL EGYPTIAN ORGANIZATION FOR ROAD TRANSPORT, WHICH IS ASKING FOR FINANCING AND OFFERING A CENTRAL BANK GUARANTEE. FINANCING OFFERS ARE TO BE SUBMITTED WITHIN THIRTY DAYS.

2. GM REP HERE BELIEVES THAT FINANCING PROBABLY WILL BE KEY FACTOR IN CHOOSING VENDOR - A JUDGEMENT WE SHARE. LEADING COMPETITORS, DEUTZ (GDR), BERLIET(FRANCE) AND FIAT (ITALY), EACH OFFERED PRACTICALLY IDENTICAL FINANCING PACKAGES OF 20 PERCENT DOWNPAYMENT, 20PERCENT UPON PRESENTATION OF SHIPPING DOCUMENTS AND 60 PERCENT IN 10 SEMI-ANNUAL INSTALLMENTS AT 8-1/2 PERCENT. AUTO DACIA (RUMANIA) OFFERED 10 PERCENT AT SHIPMENT AND 90 PERCENT IN 5 ANNUAL INSTALLMENTS AT 3 PERCENT. BIDS BY NISSAN AND HINO EACH STATED THAT THEY WOULD MAKE FINANCING PROPOSALS LATER.

3. GM AND ITS SUBCONTRACTORS ARE WILLING TO FINANCE ABOUT 15 PERCENT OF PACKAGE AND HAVE COMMERCIAL BANKS WHO ARE WILLING

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 00517 161826Z

TO FINANCE ANOTHER \$10 MILLION. MANAGER OF GM FLEET

DEPARTMENT D.W. PECK, TOLD EMBASSY THAT KEY TO OBTAINING
NECESSARY ADDITIONAL COMMERCIAL FINANCING WOULD BE EXIM
PARTICIPATION.

4. EMBASSY SUGGESTS THAT EXIM BE URGED TO GIVE CAREFUL
ATTENTION TO THIS POTENTIAL SALE. EGYPTIAN VEHICLE MARKET
HAS VAST POTENTIAL, PARTICULARLY IN LIGHT OF DEVELOPMENT AND
EXPANSION PLANS. US FIRMS ARE ALMOST TOALLY OUT OF
PICTURE, AND SALE OF THIS MAGNITUDE WOULD BE OF CONSIDERABLE
IMPORTANCE IN RE-ESTABLISHING THEM HERE.

MAESTRONE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO00517
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750017-1037
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750147/aaaabpku.tel
Line Count: 72
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 01 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 AUG 2003 by ShawDG>; APPROVED <23 DEC 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIM FINANCING OF TRUCKS AND TRAILERS
TAGS: BEXP, EG
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006